***(Lighting Design Part #2)***

## Marketing Research Proposal

In order to maintain our positive image and competitive edge, Lighting Design must continue to understand our customers' needs. By better understanding our most important assets, we can offer a modern, fresh and updated approach to selling lighting. To better understand the customers, Lighting Design must obtain valuable information straight from the source. This can be done through surveys, interviews, observational studies and experiments.

Below is a sample of the survey we will distribute to our current customers by posting it online using Survey Monkey. Email requests asking people to go online and take the survey will be sent to all our past customers using the in-house mailing list we have been building. Survey Monkey does not charge for its surveys, so the costs will be minimal, but the downside will be the anticipated low return. It is expected we will need to send a reminder email to customers after two weeks in hopes that we can receive enough responses to accurately determine how to better serve the customer.

### *Lighting Design Enhancement Survey*

***Dear Valued Customer,***

***As your lighting, furniture and accessory provider, we are always striving to bring you the best in product quality and selection and customer service. Please help us to continue this passion of service by completing this survey. Your answers will help us to continue our promise of offering the best in quality and service.***

1. What is it that you are looking for in a specialty lighting store?

2. What makes you want to return to Lighting Design (customer service, product selection, etc)?

3. What kind of advertising do you respond to (newspaper, online websites, email, television, radio, mail, etc)?

4. Upon visiting Lighting Design, does the showroom look fresh and modern with current trends in lighting?

5. How did you originally hear about Lighting Design and what made you want to visit the store?

6. Do you have any suggestions for Lighting Design so that we can better serve our customers?

*Deb's comment: Realistically, since you have to send email anyway, and since this is an open-ended style of questioning, you should not send them to Survey Monkey, just have them click reply and fill in their answers, you will get a better rate of return. This takes quite awhile though for them to do … offer them a coupon or something as a reward!)*

## Positioning Strategy

By using product differentiation, Lighting Design will position our brand image and exclusive lighting products as the best in offering high style, the latest trends and the best in quality. We will target two of our smaller yet important market segments and focus on the custom and unique options that only Lighting Design can offer.

The first segment that we will target is the "*Modern Mama*." This customer is the key link to good design in American homes. She is unique, confident and has a good eye for style. She wants to bring all of these qualities into her home as well. She understands that good lighting can be the "jewelry" that adds that finishing touch to a well designed home. The Modern Mama is always looking for the newest styles and trends in design magazines, television shows, and local home parades. Even after she has selected her lighting, she will continue to be interested in new styles and will continue to shop for accessories to brighten and refresh her home.

The second segment that we will target is the "*Build it Better Contractors*." This builder is not only a do-it-yourself kind of guy, but he also wants to do it right. It is important to this contractor to exceed the homeowner's expectations. He builds custom homes in which every inch is detailed to perfection with his signature custom quality. The "build it better" contractors do not focus on the quantity of homes that they are building, but on the quality. It is this preference that keeps them in high demand by people wanting to build or remodel a house into the home of their dreams. This contractor will often work with a designer to make sure that the right lighting collections are chosen to fit the style of the home. Each home is different and unique and he wants this attention to detail to be implemented into the lighting as well.

## Positioning Map

This map shows how we believe that Lighting Design compares to its competitors in our customers' mind in terms of quality and variety in the products offered. Our target segments are looking for a company that can offer both the highest quality as well as the largest variety in lighting. We will create a Lighting Design exclusive lighting product catalog that will appeal to our chosen segments.

*Deb's comment: Usually we expect the low end of the scale to be on the left, so a quick glance seems to imply LD has a limited variety. This needs to be fixed.*

## Product Strategy

The Lighting Design Exclusive Lighting Catalog will include a variety of lights that cater to every design and style so that our customers can always find what they want. Because the lighting products are exclusive to us, we will be able to promise the unique look that our customers desire. We will be able to warranty these products through our vendors because of the special relationship that we have due to our exclusivity. We can also offer special sales and promotions that our competition cannot touch.

The lighting industry is currently in the Maturity stage of the Product Life Cycle, which squeezes profits for all competitors, plus the industry suffers in the current economic downturn because of the slump in the housing industry. Because business has slowed down, we cannot compete on price, the prices are as low as possible already. We will therefore focus on offering a unique product to our customers that our competition cannot obtain. We do this by forming contractual relationships that promises these designs will

not be sold to other companies. Although it is a little costly to produce, we will continue distributing our Exclusive Lighting Catalog to help maintain customer loyalty and keep sales profits from decreasing.

We will also offer free storage for lights while the house is being built in order to deter the customer from waiting to order or going elsewhere. All stored lights will be labeled with a Lighting Design sticker that specifies which salesmen did the lighting, the contractor/designer of the light, the homeowner's name and the location for the light. Sales cards and Lighting Design signs will be placed at each project that is completed to make it easier for people to locate where the lighting came from.